



**BIFURCATION OF ANDHRA PRADESH STATE - SOCIO-ECONOMIC IMPACTS ON RURAL MARKETS IN
PRAKASAM DIST, ANDHRA PRADESH - A STUDY**

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ABSTRACT

Andhra Pradesh state is one of the states among 29 states of India. Andhra Pradesh state situated and south eastern coast of the country. The case study mainly deals impacts on socio – economic conditions when the state was bifurcate &to form a new two states of Telangana and AP. The study follows web based methodology for identification and evaluation of impacts on socio economic conditions by bifurcation of Andhra Pradesh State. To identification of socio economic problems by bifurcation of Andhra Pradesh state. 2. To evaluate People faced problems (Socio-economic and miscellaneous) at the time of bifurcation of state.3 to know that what are the changes occurred in Indian economy from this bifurcation of state. Findings: After do this web based study we know that what are the socio economic problems faced by the people at the time of bifurcation, what are the impacts on socio economic conditions by bifurcation of state in to Telangana and Andhra Pradesh. Conclusion: Finally this study gives full awareness and clear cut idea about bifurcation of Andhra Pradesh state, impacts on socio economic conditions by bifurcated state in to two states i.e., Telangana and Andhra Pradesh.

KEYWORDS: Bifurcation, impacts on socio-economic conditions, Indian economy, people.

INTRODUCTION

Andhra state was one of the states in India created on 1 Oct 1953 based on the Telugu speaking northern districts of madras state. The state was made up of two distinct regions one is Rayalaseema, another one is Coastal Andhra. On 1st November 1956, the telangana region was merged with it to form the state of Andhra Pradesh. The states Reorganization Commission (SRC) recommended creation of Telangana State before merging with Andhra state after taking public opinion in the scheduled elections of 1961. On 2nd June 2014, Telangana state was separated back out of AP. On 19th December 1952, first PM of the country Jawaharlal Nehru made an announcement about formation of a separate state for the telugu speaking people of Madras state. The Telugu speaking portion of Madras state became the new Andhra state with Kurnool as the capital and includes 11 districts in that state. The first chief minister of the new state was Tanguturi Prakasam pantulu.

DISTRICTS OF ANDHRA STATE



FORMATION OF ANDHRA PRADESH



AP state (yellow), which merged with Telangana (white) to form the state of AP in 1956. Andhra state and the telenagana region of Hyderabad state were merged to form the united Telugu speaking State of Andhra Pradesh. Non Telugu speaking parts of Hyderabad state were merged with Maharashtra state and Karnataka state.



STATE REORGANISATION COMMITTEE (FAZAL ALI COMMISSION)

Paragraph 382 of the State Reorganization Committee report dated 30 Sep 1955 stated that – “opinion in Andhra is overwhelmingly in favor of the larger unit, public opinion in telangana has still to crystallize itself”. The important leaders in public opinion in Andhra to appreciate that the unification of telangana with Andhra.

The Fazal Ali commission emphasizes the benefits of visalandhra. The report states that the process of merging done after 5 years. In Paragraph 386, it states, "...for the present the Telangana area is to constitute into a separate State, which may be known as Hyderabad State with provision for its unification with Andhra after the general .

Paragraph 387 - the two governments may have stabilized their administrative machinery and, if possible, also reviewed their land revenue systems etc., the object in view being the attainment of uniformity. According to Paragraph 387, the commission's main objective was to attain uniformity by achieving adequate administrative machinery and proper land review systems in the recently formed Andhra. State Reorganization Committee opinion is the elected leaders of both states decided for immediate merger by achieving consensus by 2/3 majority strength in both assemblies of these states.

The Hyderabad CM said that Communist parties also supported that the merger for their political calculations. The government had to provide additional security for Communist leaders who supported the Visalandhra.

REASONS FOR BIFURCATION OF STATE

The AP state was bifurcated on 2 June 2014. The following reasons caused by Bifurcation of AP state.

RATIONALE BEHIND DIVISION

The rationale behind division for Telangana is not merely “economic backwardness” or rather, as the proponents of a new state claim, and the culmination of grievances ,neglect of the region in water sharing, funds allocation, employment opportunities (seen in the slogans *Neellu, Nidhulu, Niyamakal-3n*) or even cultural discrimination. These claims may or may not pass the test of rationality.

RATIONALE BEHIND UNITY

Unity can be wished or envisaged, I am afraid, it may not be imposed or demanded. It is widely stated that the movement for “united Andhra” is predominantly stimulated by political leaders and crony capitalists who have only vested interests in and around Hyderabad. That argument that “if you do not stand for “united Andhra” you do not love Andhra”, as the proponents of a united Andhra aver, is very much irrational and lopsided. The sections that seem threatened by bifurcation

and most concerned about the status of Hyderabad post this – are those that provide private sector services in the capital. A private entrepreneur is always led by the profit motive and is not driven much by regional affiliations but the logic that bifurcation should cause them to have apprehensions is faulty. The executives from the Andhra region who work in the information technology sector have worked in various parts of the world without any apprehensions, hindrances or inhibitions. I argue that the focus of the corporate should be to petition government in the Andhra region to expand and upgrade infrastructure, government institutions, so as to ease their operations and to provide further employment opportunities in that region.

The other reason for division is Hyderabad as the capital of united Andhra Pradesh has generated a large share of state revenues (more than 50% as per reports). But can a mechanism not be evolved so that there is a restricted period following bifurcation, where there is sharing of revenues between the new states? Or even that the Andhra region could be compensated with a financial package from the government of India in order to develop other regions through capital and infrastructure? The third bone of contention is that of sharing of river water following bifurcation. This should not be so, as there are many states in India which share river water with its neighboring states; beyond the aforementioned issues of capital, revenue and river water sharing, many fabricated issues have been raised by opponents of bifurcation. These include the “safety” of people from the Andhra region in Telangana

ROLE OF POLITICAL LEADERS AND THE MEDIA

On 30-07-2013 merely days after the announcement of the bifurcation of decision by the Congress Working Committee on 30th July 2013, the Chief Minister of Andhra Pradesh, Kiran Kumar Reddy openly expressed his discontent against the decision and made a few comments favoring “United Andhra”, including issues related to water sharing, electricity generation, status of employees in Hyderabad among others. These hypothetical statements – clearly based on prejudice – have generated a sense of insecurity among the people of the Andhra region. The chief minister’s statements mirrored the comments made by the party president of the Telangana Rashtra Samiti over the status of government employees in Hyderabad – both of them, equally untimely and illogical. These precipitated the present “Seemandhra movement” that rages to this day.

HYDERABAD PIQUANT FOR ALL RESOURCES

In the past 50 to 60 years the city of Hyderabad has grown in leaps and bounds as opposed to other areas in both the regions in Telangana and the Andhra region. Information technology companies, public sector units, state and central educational institutes, manufacturing industries, the entertainment industry, major national and international research institutes in the sciences and

social sciences, national parks, multi-specialty hospitals, real estate, airports, multinational corporations, cultural centers, NGOs, even prime tourist destinations have been overwhelmingly concentrated in one place in Hyderabad, almost to the neglect of other places in the state. Within a short period of time between 1990 and 2005, Hyderabad emerged as the power house hub for economic, political, social, cultural and entrepreneurial activities, drawing people from all over the state of Andhra Pradesh. The state governments over the years have completely neglected/ignored to scatter the process of urbanization and failed to develop other potential urban agglomerations across the state. This hassled to the emergence of heavy negative externalities in Hyderabad as the absorbing capacity has reached a maximum limit. As the population started flocking in at rapid rates, it started to exert high-level pressure on resources and provision of basic amenities. The governments have been grappling with the issues like infrastructure, health and hygiene, law and order, medical services, transport, social justice, housing, pollution, communal harmony, drinking water, etc.

ANDHRA PRADESH REORGANIZATION ACT, 2014

It is formed on the basis of linguistic in India is the verge of bifurcation. The reasons and factors for this development might be many, but even after coexistence of 57 long years. Andhra Pradesh state is one of the 29 states of India. Andhra Pradesh state situated and south eastern coast of the country. The state is the 8th Largest state in India covering an area of 1, 62,307 Km². As per 2011 census of India, the state is 10th largest by population with 49,386,799 in habitants. The AP State, it is a place and sources of all resources like; agriculture, industrial sector, economy, culture and arts & crafts, investment, business, etc. I would like to put forward some of my observations with regards to the issue of the state bifurcation.

It is an Act of Indian Parliament that bifurcated the state of Andhra Pradesh into Telangana and the residuary Andhra Pradesh state due to Telangana movement. The act defined the boundaries of the two states, determined how the assets and liabilities were to be divided, and laid out the status of Hyderabad as the permanent capital of new Telangana state and temporary capital of the Andhra Pradesh state. An earlier version of the bill, Andhra Pradesh reorganization Act 2013, was rejected by the AP Legislative Assembly on 30 Jan 2014. Again the new bill was passed and attested by the President of India, Pranab Mukherjee on 1 March 2014 and published in the official Gazette. The new states were created On 2 June 2014.

PETITIONS AGAINST THE BILL IN SUPREME COURT

Nine petitions were filed in the supreme court of India against the AP reorganization bill in parliament. The court the rejected the pleas saying, "We do not think this is the appropriate stage

for us to interfere.” They would only consider the petition if the bill was passed in parliament. But the court issued notices to the Centre regarding the issue on 7 March 2014. AP & TS both states have common high court that is Supreme Court of India for ten years. A separate high court for telangana cannot be formed by dividing the present common high court as the existing high court at Hyderabad.

DETAILS OF THE BILL

The bill was introduced on 5th Dec 2013, the first day of the winter session in the legislative assembly of Andhra Pradesh. The telangana state has ten districts and got approved from union cabinet. Hyderabad will remain as the common capital under the governor’s supervision for ten years. Within 45 days a new capital city for Andhra Pradesh would be declared.

The bill was drafted based on the boundaries and proposed telangana state as approved by the union cabinet in its meeting on 3 October 2013. The new state of telangana would have 119 MLAs, 40 MLC’s, 17 MPs and the residuary state of Andhra Pradesh would have 175 MLAs, 50 MLC’s, 25 MPs of lok sabha and 11 MPs of Rajya sabha.

There would be a common high court is supreme court of India for the two successor states based on population ratio until a separate court was set up under article 214 for the residuary state of Andhra Pradesh.

The ministry of water resources of the government of India would constitute a Krishna River Management Board and a Godavari River Management Board within a period of 60 days from the date of coming into force of the Andhra Pradesh Reorganization Bill. The board would be responsible for the administration, regulation and maintenance of the head works of the dams, reservoirs or head works of canals, as notified by the government of India on Krishna and Godavari rivers. The boards would be responsible for making an appraisal of proposals for construction of new projects on Krishna and Godavari Rivers.

The Governor’s responsibility shall extend to matters such as law and order, internal security and safety of all vital installations in the discharge of these functions. This transitory provision shall cease to have effect after a period not exceeding 10 years.

The bill stated that for the creation of separate cadres of all India Services in respect of the two states from the appointed day.

The government of India shall help the two states i.e. Telangana and Andhra Pradesh in increasing additional police forces for maintenance of public order in Hyderabad for a period of 5 years. In Hyderabad, the greyhound training Centre shall function as common training Centre for the two states for 3 years.



In Hyderabad, The Greyhound training Centre is common training Centre for the two stateside. AP & TS for three years. Allocation of natural gas will continue to be done as per the policies and guidelines issued by the Government of India. Allocation of power from the actual energy consumption of last five years of the relevant discos for the period of 10 years. Polavaram project ordinance merging with the project affected villages in the residuary Andhra Pradesh. Seven mandals from Khammam districts of telangana have been transferred to Andhra Pradesh. Bhadrachalam revenue division 4 mandals (namely, chinturu, kunavaram, vararamchandrapuram, Bhadrachalam (excluding the bhadrachalam revenue village) were transferred to east Godavari district. Three mandals from palvancha revenue division namely, kukunoor, velerupadu, burgampadu, (except 12 villages namely, pinapaka, morampalli, banjara, buragampadu, naginiprolu, krishnasagar, tekula, sarapaka, iravendi, motepattinagar, uppusaka, nakiripeta and sompalli,) have been added to west Godavari district. This came into force as the 16thloksabha has passed the polavaram Ordinance Bill with the voice vote on 11 July 2014.

The Andhra Pradesh reorganization act, 2014, which is also known as “ telangana bill”, is an act of the Indian parliament. The two new sates will come into existence with effect from Reorganization Act, 2014 (hereinafter referred to as the Reorganization Act), which is commonly called the “Telangana Bill”. The two new States will come into existence with effect from 02 June 2014 (Appointed Date)² .The Andhra Pradesh Reorganization Bill was passed in the Lok Sabha on 18 February 2014 and in the Rajya Sabha on 20February 2014. The Bill has been approved by the President of India and was published in the official Gazette³. As per the act the two states having the below mentioned districts in their states, they indicated below:

Andhra Pradesh (comprising 13 districts):

Anantapur;
 Chittoor;
 East Godavari;
 Guntur;
 Krishna;
 Kadapa



Karnool;
 Nellore;
 Prakasam;
 Srikakulam;
 Vishakhapatnam;
 Vizianagaram; and
 West Godavari

Telangana (comprising 10 districts):

Adilabad;
 Hyderabad;
 Karimnagar;
 Khammam;



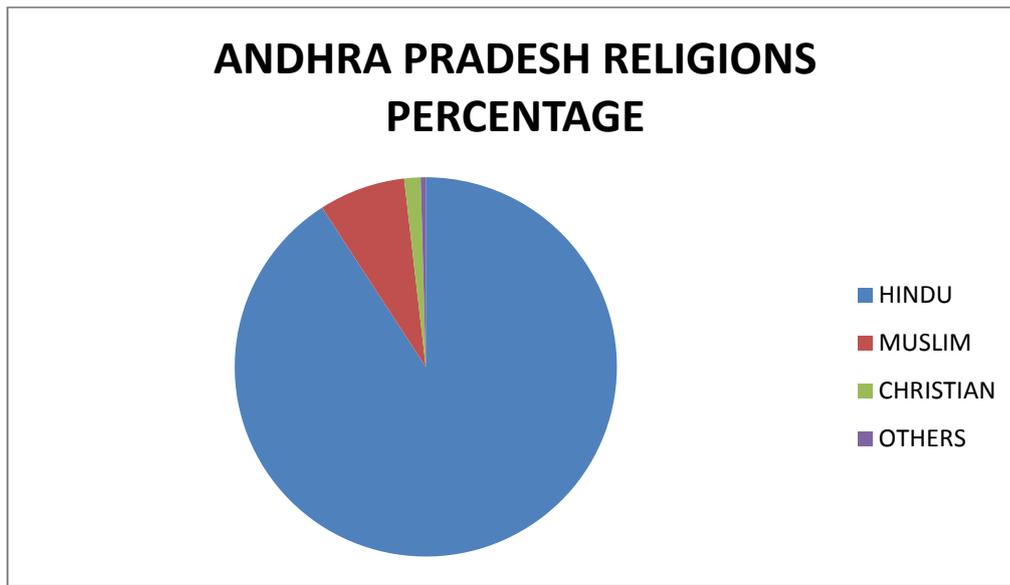
Mahbubnagar;
 Medak;
 Nalgonda;
 Nizamabad;
 Rangareddy; and
 Warangal

ANDHRA PRADESH- STATISTICS (AFTER BIFURCATION)

Total population	:	49,386,799
Population	:	308/sq km
Rural population	:	70.4% (34,776,389)
Urban population	:	29.6% (14,610,410)
Children (age group of 0-6 years)	:	10.6% (5,222,384)
Sex ratio	:	996
Rank in human development index	:	10th (score 0.416)
Literacy rate	:	67.41 percent
SC Population	:	84, 45,398 (17.10%)
ST Population	:	26, 31,145 (5.33%)
Largest city	:	Visakhapatnam
Number of Districts	:	23

RELIGIOUS POPULATION IN AP

Hindu	:	90.87%
Islam	:	7.32%
Christians, Jains, Buddhists	:	1.38%
Others	:	0.43%



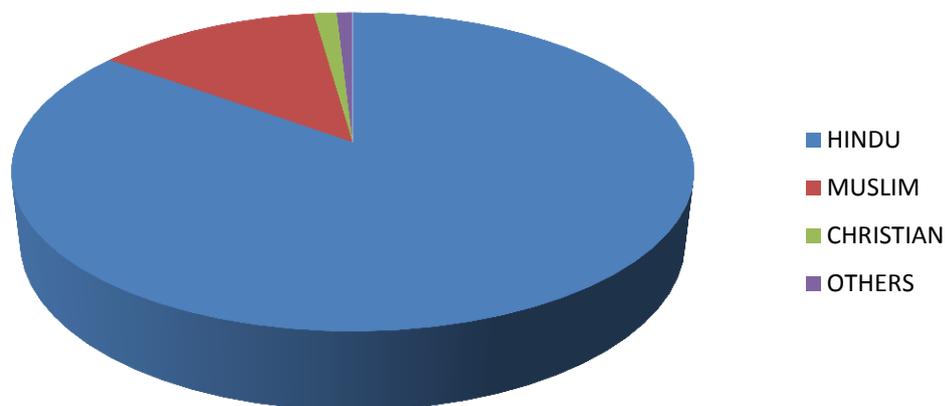
TELANGANA STATISTICS (AFTER BIFURCATION)

Geographical Area	:	1, 14,840 sq km
Total population	:	3.519 cores
Density of population	:	307 per sq km
Literacy rate	:	66.46%
Sex ratio	:	988

RELIGIOUS CENSUS OF TELANGANA

Hindu	:	85.1%
Muslim	:	12.7%
Christian	:	1.3%
Others	:	0.9%

TELANGANA STATE RELIGIONS %



ADMINISTRATIVE DIVISIONS OF AP

Regions	Districts	Revenue divisions	Mandals	Cities
Kosta	Anantapur			.
Rayalaseema	Chittoor	These 13	The 50	There are a total of 31 cities which include 16 municipal corporations and 14 municipalities. There are two million plus cities i.e Vijayawada and viskhapatnam
a	East Godavari	districts are	revenue	
	Guntur	further divided	divisions are	
	Krishna	into 50 revenue	in turn divide	
	Kurnool	divisions There	into 670	
	Prakasam	are as many as	mandal	
	Nellore	7 revenue		
	Srikakulam	divisions		
	Visakhapatnam	in east		
	Vijayanagaram	Godavari		
	West godavari	district and		
		only 2		
		vizayanagaram		

KEY IMPLICATIONS

* HYDERABAD’S PIQUANT POSITIONING ON RESOURCE FLOWS

The Andhra Pradesh state bifurcated into two states i.e. AP & TS. Before bifurcation Hyderabad is the capital of state now Hyderabad also capital state for two states but when AP state was divided

Hyderabad was went to telangana state. It is the main hub for all resources like employment, IT companies, government organizations etc. Resource allocation, as well as economic activities in the two regions will undergo significant and dynamic changes because of the move. The capital city of Hyderabad is common capital for two states for ten years. However, its revenues will belong to telangana. Being the hub of economic activates and the sources of government finance, Hyderabad will critically define the fiscal prospects of the two new states. Hyderabad is a hub for all IT offices, companies and other government organizations, businesses. The city is estimated to have contributed over 34,000 cores to the sates total revenues of 70,548 crore during 2012-13. On the other hand, the new Andhra Pradesh state will require more resources for construction and development activities for making new capital city.

* **POPULATION RATIO — A KEY DETERMINANT FOR THE FLOW OF RESOURCES**

- Depend on population ratio, the assets and liabilities are divided. Population ratio is key determinant to dividing of assets and liabilities and the flow of central transfers. Geographically, Hyderabad has been allocated to telangana. However, on bifurcation and also for the following 10 years, it will be the common capital for two states.
- These ratios are used for to describe the balance between two elements of the population, e.g. males vs. females and children etc. this ratio consider for standard unit of 100 persons.

* **RESOURCES TRANSFERS FROM THE CENTRE**

When bifurcation of Andhra Pradesh state the resources transfers from the Centre to two state governments under the criteria of three channels.

- The finance commission
- The planning commission
- The central ministries

* **TRANSFER OF AWARD TO THE TWO NEW STATES**

* **THE FINANCE COMMISSION**

The AP reorganization act provides that the central government will have the authority to divide the award made by the 13th finance commission to the existing state of Andhra Pradesh into the respective shares of the new Andhra Pradesh and telangana. Such a division will be made on the basis of the share of population and other factors. Under this commission the resources transfers to the respective local bodies recommended by the 13th finance commission.

* **THE PLANNING COMMISSION**

Most districts of telangana have low per capita incomes and poorly on various indicators of development. Despite this, AP will get the special category status in plan assistance. The planning commission gives states plan assistance under normal plan assistance and “special” plan assistance. Assistance for normal plan i.e. 30% of the budget is earmarked for special category states, and assistance is 90% grants and 10% loans. The special plan assistance includes externally aided projects. The terms and conditions differ as per project for general category states. Assistance is granted on the same terms and conditions as the original terms and conditions. In addition, states have to bear the exchange rate risk.

For special category states, it is given as 90% grant and 10% loan, independent of the original terms and conditions. The central government provides the assistance, based on the original terms and conditions, the central government, thus, also bears the exchange rate risk for special category states, the volume of assistance under special assistance for state.

Recent reports indicate that a special package will be given for the seven districts of new Andhra Pradesh comprising 90% grant and 10% loan, as against 30% grant and 70% loan in the general category. Based on the above information considerable resource flows will be come to the two new states under these provisions.

- Planning Commission and the new state would have to focus, among other areas, on the
- Following:
 - Setting up of administration and facilitating training programs in the newly developed tax departments
 - Sharing of tax-related information and records between the two new States
 - Drafting of new Legislations, Acts and Notifications
 - Establishing systems for audits, enforcement and check-posts
 - Authorization of banks
 - Account heads (for tax depositions)
 - Refund mechanism
 - Assessments (pending cases for periods prior to reorganization)
 - Appeals/revisions (pending)
 - Appeals/Revisions (arising out of disposal of pending cases)
 - Enforcement cases (records transfers)
 - Court cases
 - Establishment of Tribunal and the creation of necessary infrastructure (Building/furniture/staff/automation)
 - Standing counsel for the High Court

- State representative for the Tribunal etc.

* **EFFECT ON STATE TAXES**

The taxes are divided, depending on how economic activities are distributed. And based on the location of their production facilities will also divide tax revenues. It will be the same case for electricity duty revenue. Fiscal incentives and industrial incentives are location specific.

* **TAXATION IN TELANGANA – NEW CHALLENGES**

For taxation, telangana state will have to set up a new administration apparatus. It is quite likely that many of the existing technical staff that is well trained in the administration of taxes have to migrate to new AP. TS, have to provide facilities for training and skill building to make.

* **DIVISION OF ASSETS & LIABILITIES**

The assets and liabilities divided on the basis of “location”. If the location principle can’t apply, the division will be based on the respective share of population.

* **COMMERCIAL/INDUSTRIAL UNDERTAKINGS**

The assets and liabilities under commercial or industrial undertakings divided on the location basis, which exclusively located in or its operations in local area.

Liabilities outstanding on account of public debt and public account all liabilities on account of public debt and public account of the existing state of Andhra Pradesh outstanding at the time of bifurcation will be apportioned on the basis of the population ratio of the new states.

* **DIVISION OF GOVERNMENT EMPLOYEES**

Under this the division of employees based on the concerned autonomous bodies. Employees of public sector undertakings, corporations and other autonomous bodies will continue to function in such undertaking, corporation or autonomous bodies for one year. Two new separate cadres will be created one for new Andhra Pradesh and other for Telangana.

* **DIVISION OF PENSIONERS**

The pensioners are divided on the basis of pension liabilities of the existing state between the two new states. The pension liabilities are divided on the new states in the population ratio.

* **ALLOCATION OF MINERAL RESOURCES AND POWER**

Coal: The government of telangana will command a 51% share in SCCL, while the remaining will be held by the Government of India. Without any change Existing coal linkages of SCCL shall continue. New linkages shall be allotted to the two states, as per the new coal distribution policy of the government of India.

Oil and gas: The allocation of natural gas will be made as per the policies and guidelines issued by the Government of India. Furthermore, the royalties' payable on domestic onshore production of oil and gas shall accrue to the state in which such production takes place.

Power: The power will be divided based on geographical location of power plants for example the units of APGENCO. The APERC shall function as a joint regulatory body for a maximum period of 6 months. During this period, SERCs will be formed in the two new States. The existing State Load Dispatch Centre (SLDC) shall function on behalf of both the new States for a maximum period of two years. In this period, separate SLDCs will be set up.

* **ALLOCATION OF WATER RESOURCES**

For allocation of water resources purpose the government of India has to be set up two water management boards in Andhra Pradesh. The ministry of water resources, government of India, has the responsibility of constituting Krishna River Management Board and Godavari River Management Board within 60 days. These boards will function as autonomous bodies under the central government. These boards will be responsible for the administration, regulation and maintenance of the head works of the dams, reservoirs or head works of canals, as notified by the government of India on Krishna and Godavari Rivers. The headquarters of KRMB are AP, and GRMB is TS. The central government will execute the project in consultation with the governments of the two new states in consideration of all environmental, forests, and rehabilitation.

SOCIO-ECONOMIC IMPACTS ON NEWLY FORMED STATES

It is a complex issue to form socio-economic impact on newly formed states. While there are some positive changes and there are certain negative changes are occurred. The two new states have certain advantages and disadvantages are there.

NEGATIVE SOCIO-ECONOMIC IMPACT OF FORMATION OF NEW STATES

Water problem: some times what looks good on paper out very differently in reality and there are many issues. Andhra Pradesh was able to get water from canals for irrigation from Godavari and Krishna rivers. But telangana has now garnered the water rights.

Revenue problem: revenue generation also becomes an issue. Due to insufficient funds, Andhra may not be able to run the state as Hyderabad has been separated from it. Hyderabad is main commercial Centre and youngsters from coastal Andhra will now be deprived of job opportunities within their state.

•Pandemonium can ensue for formation of new states: For example; Bodo tribal group wants to divide Assam. West Bengal has also has its share of disputes regarding state division. While arguments are made that creating new states will spur better economic development and

governance, the unique socio-economic and political climate of each state is the reason why such positive beliefs do not turn out to be reality.

- **Business proposals:** also get stymied if new states are formed. The main reason for this is About 27 industrial parks which were to come up in Andhra Pradesh are now in a quandary because of the formation of Telangana.
- After bifurcation of the state will also be delay the implementation of the NIMZ (National Investment Manufacturing Zones).

POSITIVE SOCIO-ECONOMIC IMPACT OF FORMATION OF NEW STATES

- * Formation of new states may also provide good opportunity for growth and development. For example; before bifurcation Andhra cement industry growth rate is not increased but after bifurcation cement plants in AP were running highest growth rate.
- * New business activity can reach less affluent districts. For instance, Prakasam may develop and attract investors from Guntur, Nellore and other states. Linkages between the new and parent state can improve infrastructure and knowledge transfer in less developed areas. Not all choices for bifurcating states have very bad results. Chhattisgarh is very developed after its separation from Madhya Pradesh.
- * For good administration: Many of India's states and UT's have very when it comes to population. States like up have heavy population. The good administration work increases the capacity of states.

SOCIO-ECONOMIC IMPACTS ON RURAL MARKETS IN AP

When the state was bifurcated the following socio-economic impacts occurred on rural markets. They are stated below;

- 1. Break of isolation:** Roads play an important role for overcoming the detachment of the villages. It provides a much needed opportunity for the village population to come in contact with other groups of the society.
- 2. Changes in travel patterns in rural villages with the provision:** after bifurcation of state the changes occur in travel patterns in rural villages because for development of state we need road and traveling facilities in every state.
- 3. Changes in living styles:** The rural people living styles were changed when state was bifurcated. The construction of rural road connections in its wake changes the life patterns also by bringing awareness of the modern means of living cooking, dressing, recreation, agro-industries ,health care etc.

4. **Education level:** The primary and secondary education levels are changed and improved because the state was bifurcated, the most of the students as well as teachers also attracted to rural villages for their personal as well as education improvement. Of the 42 universities in the state, after bifurcation, coastal Andhra and telangana have 10 state universities and newly got permission from AP state to establish new universities in AP state. Already SRM, VIT universities are opened their branches in the AP state.
5. **Health care facilities:** day by day health care facilities increased in our state because so many rural people faced lot of health problems for eradication of these problems our government of India allocate huge budget for health sector. It is also create market opportunity in rural market.
6. **Employment potential:** This is also one of the socio economic impacts on rural market in AP after bifurcate of state because employment is one of source for living, so many unemployment candidates eager to seek for notifications. Increase in agriculture:
7. **Industrial change:** industry related so changes are occurred because the state was bifurcated. Our government of AP planning to construct so many industries in decentralization method in covers all districts in ap. another major impact of rural roads manifests in providing employment.
8. **Cultural change:** The development of roads breaks the cultural barriers among the communities by bringing them together more frequently for interaction, understanding and exchange of ideas.
9. **Other benefits and impacts:** they are more of intangible nature like feeling of a sense of security I better outlook, change in attitudes, knowledge of new technology, social contacts, etc.
10. **Dis benefits:**
 - The commodity rates are increased in both states
 - The financial conditions of people are changed in both states i.e. AP & TS
 - For bifurcation tax rates, transport facility charges and farmers not getting suitable prices their crops etc.
 - The employment opportunities are decreased due to bifurcation of state
 - The rural markets rates are increased due to bifurcation etc.

CONCLUSION

The case study already explains & shows socio-economic impacts on newly formed states i.e. AP & TELANGANA. After completion of the study we know that the situations about bifurcation of state. At that time people faced lot of problems on this issue mainly pensioners, employers, and others. For this reason so many impacts occurred on socio-economically. When state was bifurcated the



people of two newly formed states faced lot of problems. For example, in Hyderabad state is the piquant of all resources for two states. Most of the people I mean employees working in different software companies as well as other departments also. Most of the employees belong to AP State only. At the time of Bifurcation of state, the TS people created problem to AP state people like, beating of AP people in all the way, remove from employment, not recruit in jobs in TS State etc. however for this bifurcation some socio-economic changes occurred in two newly formed states. These changes effected on Indian economy as well as economic growth of the country.

So totally bifurcation of state creates some advantages and disadvantages in the state. However, it is a good opportunity for two newly formed states for taking development actions in their states in all aspects through decentralization method. Everything has its own flipside. From political decisions to social movements, there are variable factors that influence the final outcome in a way that is unpredictable.

The above mentioned reasons are caused by bifurcation of state into two states i.e. AP & TS.

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